



# KEY FACTS SUMMARY

This Key Facts Summary highlights certain key terms of the Vantage Markets' Client Agreement and associated legal documents (together as "Key Agreements"). Please read in conjunction with our policies listed on our website. The Key Agreements' terms prevail to the extent of any consistency with this Key Facts Summary.

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## 1. VANTAGE MARKETS (PTY) LTD

You are entering into an agreement with Vantage Markets (Pty) Ltd ("we", "us" or "Vantage Markets"), a regulated broker company registered and headquartered in South Africa (registration number: 2020/595755/07). The Company is a financial service provider authorised and regulated by the Financial Sector Conduct Authority ("FSCA") under FSP license number 51268, governed by the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002).

## 2. CLIENT AGREEMENT

The information provided to you in this Key Facts Summary is important and binding on you. Additional legal terms governing our relationship are detailed in the Client Agreement. If you are applying online, you must complete the application in its entirety and then electronically submit the application to Vantage Markets for processing.

## 3. EXECUTION-ONLY SERVICES

Vantage Markets provides execution-only services. Nothing in this Key Facts Summary or the Key Agreements issued by us should be construed as a recommendation by us or any other person to invest in CFDs, margin FX contract, currency or any other financial product. You are responsible for the selection of the product you transact with us. We make no representation of the performance of any product. The performance of the product will depend on the investment decisions made by you.

## 4. LEVERAGE

Investors are required to deposit funds before they trade as security (initial margins) and to cover all net debit adverse market movement (variation margins) i.e., positions are monitored on a mark-to-market basis to account for any market movements. When clients are making a loss to an extent that they no longer meet the margin requirements, they are required to "top up" their accounts or to "close out" their position.

Leveraging has the effect of magnifying any profits but also magnifies any losses and consequently carries great risk. With a CFD or margin FX Contract, you are only required to provide a small initial deposit (i.e., margin) in order to secure an exposure to the underlying asset subject of the CFD or margin FX Contract. You are not required to provide the amount of the contract value to which the CFD or margin FX Contract relates.

## 5. RISKS OF TRADING OUR PRODUCTS

This section does not detail ALL risks applicable to the products but rather seeks to highlight the key significant risks involved in trading in the products.

### 5.1. Leverage

A high degree of leverage is obtainable in trading the products because of the small margin requirements which can work against you as well as for you. The use of leverage can lead to large losses as well as large gains. The impact of leverage is that even a slight fluctuation in the market could mean substantial gains when these fluctuations are in your favor, but that could also mean considerable losses if the fluctuations are to your detriment.

## 5.2. Foreign Exchange Risk

Our products which are denominated in foreign currency can expose you to fast and large changes to the value of your Account, potentially triggering the need for more margin to be paid by you, including at short or no notice.

## 5.3. Margin requirements

You are liable to pay margin before you open a margin FX Contract or CFD position and, after that, you may be liable to pay more margin before the position is closed out. The required margin will usually be at least:

- the margin required by Vantage Markets for the contract (initially and later); plus
- the margin required by Vantage Markets to cover any payments for Realised/Unrealised Loss on other positions in your Account; plus
- any margin required by Vantage Markets to cover adjustments for any foreign exchange rate.

If you do not meet margin requirements, including at little or no notice, some or all the contracts/positions may be closed out without notice to you. An Imperfect Hedge may not trigger a margin call; however, it gives Vantage Markets the right to close any open positions.

## 5.4. Stop Loss and Take Profit orders are not guaranteed

You can place a Stop Loss or a Take Profit order within the Vantage Markets Electronic Trading Platform, however, we can't guarantee that these mechanisms will be effective. This is because markets can be volatile and unforeseen events can occur which may result in your Stop Loss or Limit Loss orders not being accepted, or instead activating at a next available price that's worse than the price you originally set.

## 5.5. Operational risks

Operational risks in relation to Vantage Markets' Electronic trading platform are inherent in every margin FX Contract or CFD that we offer. For example, disruptions in operational processes such as communications, computers and computer networks, or external events may lead to delays in the execution and settlement of a transaction. We are not liable to you if losses arise owing to delays, errors or failures in operational processes outside our control, including but not limited to faults in the online trading platform or in the provision of data by third parties.

## 5.6. Corporate Actions

There is a risk that a Corporate Action may affect a position. If a Corporate Action occurs, we will reasonably determine what adjustment, if any, to be made to the position to account for the dilutive or concentrative effect of any such event to preserve the economic equivalent of such position immediately prior to the relevant event or to reflect the effect of such event on such position. Any such adjustments will be effective as of a date reasonably determined by us.

## 5.7. Our right to exercise certain discretions

You should note that there are several provisions in the Client Agreement that confer a discretion on us which could affect your product. These discretions include:

Setting the price of the base currency used to open and close a position in a product. The price of a base currency is set with reference to the current market price offered to us from our hedging partners. However, in certain circumstances, the price we set may be different from the current market price. In particular:

- We act as a market maker, mainly due to system failure and accordingly, set prices at which we are prepared to deal with you; and
- If we cannot determine a price because trading is limited, then the price will be the price immediately preceding such limitation; or
- determined by us in our absolute discretion, acting reasonably, but having regard to the prevailing market conditions affecting trading as a whole or trading in such currency.

We can close out all or part of your position in a product, limit the total value of the position you can open, refuse an order or terminate the agreement between us if certain circumstances arise including where we:

- decide in our absolute discretion provided we give you prior written notice of such decision; or
- reasonably consider it necessary for the protection of our rights under the Client Agreement.

You do not have the power to direct us in the exercise of our discretions.

#### **5.8. Execution risk**

Quotes for prices for dealing in our products are indicative only and so are subject to the actual price at the time of execution of your order. While Vantage Markets endeavors to execute your order to the best of its ability, there is no assurance that the order will be executed at the price of your order. This what is known as “slippage” because there is an increase in volatility or volume. This happens most often during fundamental news events or “gapping” in the markets, which create conditions where orders are difficult to execute because of extreme price movements.

The execution of your order always depends on the liquidity that’s available at all price levels. Although you may be looking to execute at a certain price, the market may have moved significantly or liquidity may be exhausted, in which case your order would be filled at the next available price.

#### **5.9. Electronic Trading platform risk**

You shall be responsible for providing and maintaining the means by which to access the electronic trading platform, which may include, without limitation, a personal computer, modem and telephone or another access line. While the internet and the World Wide Web are generally reliable, technical problems or other conditions may delay or prevent access thereto. If you are unable to access the internet and thus, the electronic trading platform, it will mean you may be unable to trade in a product offered by Vantage Markets when desired and you may suffer a loss as a result. Should the system be unavailable, clients may place their closing orders via telephone with a representative of Vantage Markets. Furthermore, in unforeseen and extreme market situations, such as an event like September 11, or a global catastrophe, Vantage Markets reserves the right to suspend the operation of the electronic trading platform

or any part or sections of it. In such an event, Vantage Markets may, at its sole discretion (with or without notice), close out your open contracts at prices it considers fair and reasonable at such a time. Vantage Markets may impose volume limits on client accounts, at its sole discretion. Please note that such measures would only be implemented in extreme market conditions, and such discretion only reasonably exercised in the best interests of the client.

#### **5.10. Automated trading risks**

While you're able to connect to and use third-party trading tools and systems with Vantage Markets' Electronic Trading Platform (such as automated trading strategies/expert advisors, copy traders and robot traders), using these tools and systems is high risk and could lead to you incurring significant financial losses. We don't have any control over the logic or code that these third-party providers use when developing their tools and systems and we're not responsible or liable for their operation in connection with the platform.

You should take steps to ensure that any third-party tools or systems that you use to trade with us have been developed by reputable providers that, where relevant, are appropriately licensed or permitted to provide the relevant services to you.

We will not be liable for any losses incurred as results of unsuccessful automated trading algorithms or the actions of the provider.

#### **5.11. Auto-Liquidation**

Vantage Markets may without prior notice to you liquidate some or all your Open margin FX Contract or CFD positions if the account value balance reaches or falls below the liquidation level applicable to your Account. This can generate realized losses in your Account. Vantage Markets does not assure you that Vantage Markets will act on this right, at any time or in respect of all or any of your margin FX Contract or CFD positions. It is not something that you should rely upon to manage your risk and your obligation to maintain sufficient margin.

### **6. YOUR OBLIGATIONS**

Due to several obligations when opening an account with us, it is important you understand the terms of the Client Agreement and have sufficient funds to meet margin calls. If your account has a negative balance, you are required to fund it to return it to a zero or positive balance. You must monitor your account and open positions frequently and never trade in breach of the Client Agreement terms or any Applicable Law.

### **7. KEY FEATURES OF OUR PRODUCTS**

A Contract for Difference ("CFD") is a leveraged derivative product that allows you to trade on the upward or downward price movements of an underlying asset without buying or selling the underlying asset directly. CFDs provide the opportunity to make profits (or losses) from a wide range of markets including indices and commodities. Margin foreign exchange ("margin FX") are economically equivalent products to CFDs that have currencies as the underlying asset.

#### **7.1. Types of products Issued by Us**

We offer the following products:

- Margin FX
- Index CFDs
- Energy CFDs
- Share CFDs
- Soft Commodities CFDs
- Precious metals CFDs
- Cryptocurrencies CFDs
- Other products offered from time to time as set out on the Website or the Electronic Trading Platform.

## 8. FEES AND OTHER COSTS

Please note that our charges for trading may include trading commission, a mark-up of the spread and overnight financing charges. All these costs reduce your account balance accordingly and may increase your loss or reduce profits on your trades. In certain cases, we pay an introducer who has introduced you to our firm. Our banks may charge you fees for deposits and withdrawals, depending on the currency and timing of the transaction. We, as a firm, do not charge for these actions.

### 8.1. Administration fee (swap-free accounts only)

Swap Free Accounts do not pay or receive Financing and Rollover Charges and Benefits. Swap Free Accounts will be charged an administration fee. The administration fee is made up of the fees imposed by our Liquidity Providers plus an internal processing fee (approx. 10%).

### 8.2. Transaction Fee

We may charge a transaction fee on your Account when you trade in Share CFDs. Typically:

- Trading US shares CFDs attract a fee of 6 USD per transaction converted to the currency of your Account.
- Trading Honk Kong shares CFDs attracts a fee of 50 HKD or 0.25% of the transaction value (No. of contracts \* share price \* 0.25%) whichever is greater converted to the currency of your Account.
- Trading Australia Shares CFDs attracts a fee of 0.08% of the transaction value (No. of contracts \* share price \* 0.08%). The minimum charge is 8 AUD per transaction.

### 8.3. Market Data Subscription Fees

We may charge a market data subscription fee on your Account when you trade Shares CFDs. Though the market data is available to all clients trading with Vantage Markets, you are deemed as a subscriber only if you transact in Shares CFDs. Vantage Markets reserves the right to cancel any market data subscription at its discretion without prior notice to you.

### 8.4. Variation of fees and costs

Under the Client Agreement, we may charge you an additional fee and/or spread or increase the current fees and/or spread set out in this Key Facts Summary provided given you notice.

**9. BEST EXECUTION**

We are committed to ensuring that our clients are treated fairly and receive the best possible price when executing a trade, whatever the product. Our Best Execution Policy applies to both retail and professional clients.

**10. ONBOARDING AND KYC REQUIREMENTS**

When you apply for an account or during the course of our relationship, to maintain your account with us, we will ask you for identity, address, proof and source of deposit and knowledge and experience information, to comply with all applicable laws, including without limitation, those relating to financial crime prevention and for us to determine what margin trading is an appropriate investment activity for you. We also are required to report information relating to your trades to relevant competent authorities as applicable.

**11. MARKET ABUSE, SUSPICIOUS TRANSACTION AND ORDER REPORTING**

Vantage Markets is obliged to report any instances of market abuse and suspicious transactions. You must not engage in any activity that distorts or manipulates prices or the normal working of the relevant market or is based on insider information.

**12. CONSEQUENCES OF BREACH OF CONTRACT AND TERMINATION**

Either party may terminate this Agreement upon written notice to the other party, but without prejudice to any accrued rights hereunder. Vantage Markets can deal with any open trades in order to protect the interests of the firm and its counterparties at any time, upon the termination of the Agreement or otherwise as a result of an Event of Default.

**13. FORCE MAJEURE**

If an event outside of our control occurs (such as a power, broadband or trading connection outage) affecting you, us or our liquidity providers (broadly a "Force Majeure Event"), and this in any way prevents us providing our investment or ancillary services to you, then our obligations under the Client Agreement will be deferred for the duration of the Force Majeure Event.

**14. COMPLAINT PROCEDURE**

If you are unsatisfied with any aspect of our service, please contact your account manager or if you wish to make a formal complaint, please contact our support team via the contact us page. Please refer to our Complaints Handling Policy on the website for how we deal with your complaint.